



General Assembly

February Session, 2010

***Raised Bill No. 5061***

LCO No. 509

\*00509\_\_\_\_\_LAB\*

Referred to Committee on Labor and Public Employees

Introduced by:  
(LAB)

***AN ACT ELIMINATING CREDIT REPORTS AS A BASIS FOR  
EMPLOYMENT DECISIONS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective October 1, 2010*) (a) No employer or an  
2       employer's agent, representative or designee may require an employee  
3       or prospective employee to consent to the creation of a credit report  
4       that contains information about the employee's or prospective  
5       employee's credit score, credit account balances, payment history,  
6       savings or checking account balances or savings or checking account  
7       numbers as a condition of employment unless (1) such report is  
8       substantially related to the employee's current or potential job, (2) such  
9       report is required by law, or (3) the employer reasonably believes that  
10      the employee has engaged in specific activity that constitutes a  
11      violation of the law. For the purposes of this section, "employee"  
12      means any person engaged in service to an employer in a business of  
13      his employer, "employer" means any person engaged in business who  
14      has one or more employees, including the state or any political  
15      subdivision of the state and "substantially related to the employee's  
16      current or potential job" means the information contained in the credit

17 report is related to the position for which the employee or prospective  
18 employee who is the subject of the report is being evaluated because  
19 the position (A) is a managerial position which involves setting the  
20 direction or control of the business, (B) involves access to customers',  
21 employees' or employer's personal or financial information other than  
22 information customarily provided in a retail transaction, (C) involves a  
23 fiduciary responsibility to the employer, including, but not limited to,  
24 the authority to issue payments, transfer money or enter into contracts,  
25 or (D) provides an expense account.

26 (b) Any employee or prospective employee may file a complaint  
27 with the Labor Commissioner alleging a violation of the provisions of  
28 subsection (a) of this section. At the request of either party, the  
29 commissioner shall hold a hearing, in accordance with the provisions  
30 of chapter 54 of the general statutes. Any employer who violates  
31 subsection (a) of this section shall be liable to the Labor Department for  
32 a civil penalty pursuant to section 31-69a of the general statutes, as  
33 amended by this act. Any party aggrieved by a decision of the  
34 commissioner may appeal the decision to the Superior Court in  
35 accordance with the provisions of chapter 54 of the general statutes.

36 Sec. 2. Section 31-69a of the 2010 supplement to the general statutes  
37 is repealed and the following is substituted in lieu thereof (*Effective*  
38 *October 1, 2010*):

39 (a) In addition to the penalties provided in this chapter and chapter  
40 568, any employer, officer, agent or other person who violates any  
41 provision of this chapter, chapter 563a, chapter 557, section 1 of this act  
42 or subsection (g) of section 31-288, shall be liable to the Labor  
43 Department for a civil penalty of three hundred dollars for each  
44 violation of said chapters and for each violation of subsection (g) of  
45 section 31-288, except that any person who violates (1) a stop work  
46 order issued pursuant to subsection (c) of section 31-76a, shall be liable  
47 to the Labor Department for a civil penalty of one thousand dollars  
48 and each day of such violation shall constitute a separate offense, and

49 (2) any provision of section 31-12, 31-13 or 31-14, subsection (a) of  
50 section 31-15 or section 31-18, 31-23 or 31-24 shall be liable to the Labor  
51 Department for a civil penalty of six hundred dollars for each violation  
52 of said sections.

53 (b) The Attorney General, upon complaint of the Labor  
54 Commissioner, shall institute civil actions to recover the penalties  
55 provided for under subsection (a) of this section. Any amount  
56 recovered shall be deposited in the General Fund and credited to a  
57 separate nonlapsing appropriation to the Labor Department, for other  
58 current expenses, and may be used by the Labor Department to  
59 enforce the provisions of chapter 557, chapter 563a, this chapter and  
60 subsection (g) of section 31-288 and to implement the provisions of  
61 section 31-4.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	New section
Sec. 2	<i>October 1, 2010</i>	31-69a

***Statement of Purpose:***

To prevent discrimination of a prospective employee based upon that employee's credit history.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*